



FOR IMMEDIATE RELEASE
September 5, 2007

*Office of the United States Attorney
District of Arizona*

For Information Contact Public Affairs
SANDY RAYNOR
Telephone: (602) 514-7625
Cell: (602) 525-2681

THREE INDICTED FOR EMBEZZLING HUD FUNDS FROM AN INDIAN TRIBAL ORGANIZATION

PHOENIX -- A federal grand jury in Phoenix returned a four count indictment against Anslem Thompson, 63, Karen Thompson, 36, and Rachelle Thompson, 29, all of Lukachukai, Arizona, for embezzlement and theft from an Indian tribal organization, conspiracy, and aiding and abetting. Although the defendants share the same last name, they are not directly related.

The indictment alleges that the defendants, all former employees of the Lukachukai Chapter Veterans Organization Service Development Incorporation (LCVO), a non-profit organization, conspired to embezzle approximately \$42,000 in U.S. Department of Housing and Urban Development (HUD) housing grant funds, which were received by LCVO. LCVO received the grant funds from the Navajo Housing Authority for the purpose of constructing and administering eight (8) housing units in the Lukachukai area. Defendants Karen Thompson and Rachelle Thompson have been summoned to federal court to face the pending charges. Anslem Thompson self surrendered to authorities on August 31, 2007, following the issuance of a warrant for his arrest.

Convictions for embezzlement and theft from an Indian tribal organization, conspiracy, and aiding and abetting carry a maximum term of imprisonment of five (5) years and a \$250,000 fine, or both. In determining an actual sentence, Judge Earl H. Carroll will consult the U.S. Sentencing Guidelines, which provide advisory sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

The investigation preceding the indictment was conducted by HUD, Office of Inspector General, and the White Collar Crime Unit of the Navajo Nation Prosecutor's Office. The prosecution is being handled by Robert Long, Assistant U.S. Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR-07-938-PHX-EHC
RELEASE NUMBER: 2007-195(Thompson et al.)

###